

To: Jackson, Ryan[jackson.ryan@epa.gov]
From: Morning Energy
Sent: Mon 12/4/2017 3:02:39 PM
Subject: POLITICO's Morning Energy: Trump visits Utah for monument announcement today — Energy world reacts to Senate tax bill passage — EPA axes mining cleanup rule

By Anthony Adragna | 12/04/2017 10:00 AM EDT

With help from Alex Guillén

TRUMP'S MONUMENTAL DECISION: The news spotlight will shift to Salt Lake City today, where President Donald Trump is expected to unveil his decision to drastically trim Utah's Bears Ears and Grand Staircase-Escalante national monuments after deciding the designations under the Antiquities Act were overreach. The moment marks a huge victory for the state's congressional delegation, which fought hard to undo the designation. "Every elected official from the mayors to the commissioners, every single elected representative, got engaged in it. It was the real, Utah cumulative, everybody-pull-together kind of thing," Boyd Matheson, president of the Sutherland Institute, told the [Salt Lake Tribune](#). Look for a whole bunch of VIPs, including Interior Secretary Ryan Zinke, Sen. Orrin Hatch and House Natural Resources Chairman [Rob Bishop](#), to be on hand for the Trump's announcement.

But expect the pushback to be instantaneous and lengthy legal battles to follow. Some 5,000 people protested the anticipated decision outside the Utah State Capitol over the weekend (picture via League of Conservation Voters [here](#)). Look for Native American, public lands and environmental groups to lodge lawsuits arguing the Antiquities Act doesn't provide the president authority to change a prior designation. Representatives from the Navajo, Ute, and Hopi Tribes will hold a telephone press conference tomorrow at 5 p.m. EST responding to announcement.

Trump is due to speak at 2:40 p.m. EST in Salt Lake City. One thing to watch for is whether his comments touch on the other national monument designations that Zinke recommended shrinking such as Cascade-Siskiyou, Organ Mountain-Desert Peaks, Rio Grande del Norte and Katahdin Woods and Waters.

Also, look for Trump to use the trappings of a presidential trip - and a roundtrip flight on Air Force One - to heap praise on Hatch as he tries to persuade the seven-term Utahn to seek reelection and block Mitt Romney's path to the Senate, POLITICO's Alex Isenstadt [reports](#).

ANWR IN AS HOUSE-SENATE MOVE TO TAX CONFERENCE: House lawmakers vote today on whether to go to conference on their tax plans [H.R. 1 \(115\)](#) after senators [voted](#) 51 to 49 early Saturday morning to pass their massive tax overhaul. Sen. [Maria Cantwell](#)'s push to block language opening ANWR to oil and gas drilling fell short on largely party lines 48 to 52 during the debate. Here's what the energy and environment world had to say following the vote:

-Clean energy groups: "We applaud the reduction in the corporate tax rate and preserving frameworks that support the clean energy sector. However, we are concerned about provisions that will have a negative impact on clean energy investments, including Base Erosion Anti-Abuse Tax (BEAT) provision and the impact of the corporate Alternative Minimum Tax (AMT)

on investment tools that have been critical to the growth of the clean energy sector," a statement, signed by six groups including American Wind Energy Association and Citizens for Responsible Energy Solutions, reads.

-Oil, gas and utility industry groups liked what they saw and encouraged the chambers to iron out their differences ASAP. "We are encouraged that both the House and Senate agree that reducing the corporate tax rate is vital to modernizing the tax code, and urge Congress to quickly finalize legislation for the President to sign into law," American Fuel & Petrochemical Manufacturers said in a statement.

-Environmental groups warned the bill would undermine public health and environment: "The bill would threaten the climate by leaving billions of dollars of fossil fuel subsidies intact while changing the tax code in ways that would jeopardize the financing of numerous clean energy projects under construction and discourage future clean energy investments in wind and solar," Ken Kimmell, president of the Union of Concerned Scientists, said in one such statement.

Someone's not happy: Coal magnate Bob Murray bashed the Senate's plan as a "mockery" of the tax reform process and warned it might put him out of business, according to the [Wall Street Journal](#). "This is not job creation. This is not stimulating income. This is driving a whole sector of our community into nonexistence," he said.

What's next on taxes? Pro Tax's Brian Faler has an [excellent rundown](#).

WELCOME TO MONDAY! I'm your host Anthony Adragna, and Squire Patton Boggs' James Eklund was first to identify Michael Bennet as the senator who once led the public schools of his state's largest city. For today: Which current senator was once roommates (briefly) with former Sen. Trent Lott? Send your tips, energy gossip and comments to aadragna@politico.com, or follow us on Twitter [@AnthonyAdragna](#), [@Morning_Energy](#) and [@POLITICOPro](#).

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THE PLAYBOOK POWER LIST: 18 TO WATCH IN 2018: The final Playbook Power List of the year highlights 18 politicians, activists and operatives across the country who are poised to make waves in 2018. From the anti-Trump "Resistance" on the left to the far right Bannonte wing trying to remake the GOP, keep an eye on these people over the next 12 months. [Click HERE](#) to find out who made the list.

Please welcome to the stage: The Pro Energy team's Darius Dixon and his wife recently expanded their family. Marcus Inali Dixon was born at 3:06 a.m. Friday at a healthy 8lbs. 10oz. All is well with the Dixon clan but it's not yet clear whether Marcus will share Dad's interest in FERC and nuclear waste. Here's [a pic](#)!

EPA SAYS NEVERMIND ON MINE BONDING RULE: EPA on Friday evening backtracked on the Obama administration's proposal to require hardrock miners to prove they have the money to clean up their mines, saying that it's actually "not appropriate" to regulate.

The issue has been brewing for years following an environmentalist lawsuit that said EPA had never fulfilled part of the Superfund law requiring it to write financial assurance regulations for industries that could leave behind toxic messes. The Obama administration's proposed rule required hardrock miners to obtain some type of bonding or collateral would have cost \$171 million annually and was projected to save taxpayers \$527 million in Superfund clean-ups over 34 years. It was strongly opposed by industry and Republicans.

On Friday, at the court-ordered deadline to finalize a rule, EPA said no regulation was necessary. "EPA is confident that modern industry practices, along with existing state and federal requirements address risks from operating hardrock mining facilities," Administrator Scott Pruitt said in a statement. "Additional financial assurance requirements are unnecessary and would impose an undue burden on this important sector of the American economy and rural America, where most of these mining jobs are based." The final rule noted especially that the savings for taxpayers would have been "relatively small" and that miners would have faced costs "an order of magnitude greater" than the government's savings.

Industry, Republicans celebrate: Supportive statements flooded in Friday night from the National Mining Association, Senate Energy and Natural Resources Chairwoman Lisa Murkowski, Senate Environment and Public Works Chairman John Barrasso, and Bishop. EPA's own release included praise from three Republican governors and Sen. Steve Daines, who chairs the Senate Western Caucus. Earthjustice, which represented a coalition of green groups in the lawsuit, vowed to sue over the decision in a statement over the weekend.

Two more points: 1) The Obama administration's plans to write similar rules for chemical makers, electric utilities and petroleum and coal products manufacturers are looking unlikely to happen following this decision. 2) Coal mines are regulated differently and are required to obtain financial assurance, a practice regulated by the states. Hardrock mining covers a variety of non-fuel resources, including gold, copper, silver, iron, gypsum and sulfur.

TAKE A PASS? Ahead of a Thursday meeting between Trump, Sen. Ted Cruz and other senior officials about biofuels policy, Texas Gov. Greg Abbott formally asked for a Renewable Fuel Standard waiver from Pruitt. "The time is ripe for EPA to grant substantive relief from the unique, adverse impacts the RFS program is having on the state of Texas," he wrote in a Friday letter. "The extreme, detrimental impacts on large portions of the refining sector have now placed unacceptable burdens on the Texas economy and the economy and security of the nation as a whole." Abbott, in particular, cited high RIN prices as causing hardship to refiners across the state.

SHUTDOWN? WHAT SHUTDOWN? Senior Republicans projected strong confidence Sunday they'd be able to avoid a government shutdown by passing a short-term funding package before the Friday deadline, POLITICO's Kevin Robillard reports. "There's not going to be a government shutdown," Majority Leader Mitch McConnell said on ABC's "This Week." "It's just not going to happen." House Appropriations Chairman Rodney Frelinghuysen on Friday released a two-week CR that would keep the lights on through Dec. 22.

But disaster aid will wait: House Republicans are tentatively planning to package the next

installment of disaster aid with the Dec. 22 stopgap funding bill, Pro Budget & Appropriations Brief [reports](#). "There's working agreement to that model," Texas Rep. [Pete Sessions](#) said Friday. "I think some of these things all collide together." No word yet on how much bigger that package will be compared to the White House's \$44 billion request.

WHITEFISH HIRES MORE LOBBYISTS: Whitefish Energy, the tiny Montana-based company that drew controversy for its now-canceled \$300 million grid repair contract in Puerto Rico, hired the Tallahassee office of Foley & Lardner to lobby on its behalf, POLITICO's Matt Dixon [reports](#). Lead lobbyists will be Robert Hosay, a former Gov. Jeb Bush administration official, and Jason Allison, who once led the Scott administration's Agency for State Technology. The hiring comes as the company filed a lawsuit Friday alleging a subcontractor interfered with tens of millions in payments, the Associated Press [reports](#).

Speaking of which, Senate Homeland Security ranking member [Claire McCaskill](#) sent a letter Friday seeking additional information about a \$200 million contract inked by Puerto Rico's utility with Cobra Acquisitions LLC, another newly-formed company, for grid restoration work. Link [here](#).

OBAMA LAMENTS CLIMATE LEADERSHIP PAUSE: Speaking in France on Sunday, former President Barack Obama said U.S. states and cities were making up for what he called "a temporary absence of American leadership" on climate action, Reuters [reports](#). Obama also met with French President Emmanuel Macron, his predecessor Francois Hollande and Paris Mayor Anne Hidalgo.

CALLING ALL COMMENTERS! EPA convenes a public hearing this morning at 10 a.m. at agency headquarters on [its plan](#) to repeal the Obama-era Phase 2 emissions rule for heavy-duty trucks that classified "glider kits" as new vehicles or engines that are subject to more stringent requirements. More information [here](#).

PERRY'S IN THE MIDDLE EAST: Energy Secretary Rick Perry continues his Middle East swing this week. Among this weekend highlights: [Meeting](#) with His Royal Highness Crown Prince Mohammed bin Salman in Saudi Arabia and [touring](#) Aramco's facilities in Dhahran. ME readers will of course remember that Trump asked the oil giant to make its hugely anticipated stock offering on the New York Stock Exchange.

GETTING IN THE FAST LANE: Zinke used a trip to Louisiana over the weekend to pledge to remove regulatory barriers slowing down coastal restoration projects, The Advocate [reports](#). "Louisiana and the coastline are important, and we're losing too much of it. ... There's a lot of things that Interior can do," Zinke said. Photos from his visit [here](#) and [here](#).

CLARIFYING: ME wrote last week that coal magnate Robert Murray said at a conservative energy conference that he had met with Pruitt seven times. A spokesman clarified that Murray was referring to all meetings with anyone from the Trump administration, not just Pruitt, including "before and after the election." It was previously reported Murray has met several times this year with President Trump himself to discuss strategies to boost the coal industry, including his ultimately unsuccessful proposal to use the Energy Department's emergency

authority to keep coal plants operating.

QUICK HITS

- VW Bosses Coached Me to Lie, Jailed Manager Tells U.S. Judge. [Bloomberg](#).
- Anchorage's climate change conundrum. [The Week](#).
- A county in Utah wants to suck 77 million gallons a day out of Lake Powell, threatening the Colorado River. [Los Angeles Times](#).
- Builders Said Their Homes Were Out of a Flood Zone. Then Harvey Came. [New York Times](#).
- Blankenship has told courts that Las Vegas is his 'home'. [Charleston Gazette-Mail](#).
- Study aims to determine feasibility of underground carbon storage. [Bismarck Tribune](#).

THAT'S ALL FOR ME!

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